

March 19, 2003

The Honorable L. Neil Steverson
Chief Judge
County of Henrico General District Court
P.O. Box 27032
Richmond, VA 23273

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Henrico General District Court for the period January 1, 2002 through December 31, 2002.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; no material weaknesses in the internal controls; and no instances of noncompliance with applicable laws, regulations, and policies.

MAGISTRATE ISSUES:

The results of our tests found the Magistrate properly stated, in all material respects, the amounts recorded and reported in the financial records; and no instances of noncompliance with applicable laws, regulations, and policies. However, we noted a weakness in internal controls that the Chief Magistrate needs to address as described below.

Implement Procedures for Record Retention

In two instances, the Chief Magistrate did not recover the financial accounting records from individuals before they left employment as magistrates. Chapter X of the Magistrate's Manual requires chief magistrates to secure the financial records from employee leaving employment to prevent alteration

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or inappropriate destruction. While the Chief Magistrate did recover the records from one former magistrate, he is still attempting to obtain the other magistrate's records.

The Chief Magistrate should implement procedures to immediately request the financial accounting records from magistrates in writing when they leave employment. The Chief Magistrate should request the return of the records from the above former magistrate in accordance with Section 42.1-88 of the Code of Virginia.

We acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:whb

cc: The Honorable Burnett Miller III, Judge
The Honorable John A. Garrett, Judge
The Honorable Archer L. Yeatts, III, Judge
Lawrence G. Sprader, Clerk
John E. Mehfoud, Chief Magistrate
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia